

**NOTICE OF SPECIAL MEETING OF UNITHOLDERS
AND MANAGEMENT INFORMATION CIRCULAR**

NEI U.S. DIVIDEND FUND

**Special Meeting of Unitholders to be held on
October 23, 2024 commencing at 10:00 a.m. (ET)
at the offices of NEI Investments
151 Yonge Street, Suite 1200
Toronto, Ontario**

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NOTICE OF SPECIAL MEETING OF UNITHOLDERS

of

NEI U.S. DIVIDEND FUND

(the “Fund” or the “Terminating Fund”)

September 16, 2024

Dear Unitholder,

Notice is hereby given that a special meeting of unitholders of the Fund (the “**Meeting**”) will be held at the offices of **NEI Investments, 151 Yonge Street, Suite 1200, Toronto, Ontario, on October 23, 2024, at 10:00 a.m. (ET)**.

Quorum for the Meeting will be two unitholders, represented in person or by proxy. Should quorum not be achieved within thirty minutes of the start time for the Meeting, the adjourned meeting will be held at the offices of **NEI Investments, 151 Yonge Street, Suite 1200, Toronto, Ontario, on October 23, 2024, at 2:00 p.m. (ET)**. Quorum for the adjourned meeting will be the number of unitholders present, in person or by proxy, at the adjourned meeting.

The purpose of the Meeting is to consider the following matter:

1. For unitholders of NEI U.S. Dividend Fund (the “**Terminating Fund**”) to consider and vote on resolutions approving the merger of the Terminating Fund into NEI U.S. Equity RS Fund (the “**Continuing Fund**”, and together with the **Terminating Fund**, the “**Funds**”) and to approve such other steps as may be necessary or desirable to give effect to the resolutions and to transact any other business that may properly come before the Meeting or any adjournment as described in the management information circular dated September 16, 2024 (the “**Information Circular**”) and set out in Schedule A to the Information Circular.

Unitholders can find more information about the Funds in NEI Investments’ simplified prospectus, the most recently filed fund facts document (the “**Fund Facts**”), interim and annual management reports of fund performance, and interim unaudited and annual audited financial statements (as applicable), which are available, at no cost, at www.neiinvestments.com or at the website of the System for Electronic Document Analysis and Retrieval (SEDAR+) at www.sedarplus.ca. Copies of the Fund Facts relating to the Continuing Fund are being mailed to unitholders of the Terminating Fund.

Notice and Access

As permitted under National Instrument 81-106 *Investment Fund Continuous Disclosure*, the Manager has opted to use a notice-and-access procedure (the “**Notice-and-Access Procedure**”) to reduce the volume of paper in the materials distributed for the Meeting. The Manager is sending proxy-related materials using the Notice-and-Access Procedure directly to unitholders of the Fund, which includes registered unitholders and beneficial unitholders whose securities are held by an intermediary. Instead of receiving a printed copy of the Information Circular with the enclosed form of proxy or voting instruction form, we are submitting this notice to you that outlines the procedures for accessing the Information Circular online or requesting a paper or electronic copy to be sent to you free of charge. For more information about the notice-and-access procedures, please contact us toll-free during normal business hours at 1-888-809-3333.

How to Access the Information Circular Online

Unitholders are reminded to review the Information Circular, available at

www.neiinvestments.com and at www.sedarplus.ca, before voting. The materials will remain available on our website for one year after the date of this notice.

How to Obtain a Paper Copy of the Information Circular

Investors can request that we send you a copy of the Information Circular by:

- emailing us at NEIclientservices@neiinvestments.com; or
- calling us toll-free during normal business hours at 1-888-809-3333.

Prior to October 22, 2024, a copy of the Information Circular will be sent to you within three business days of receipt of your request. If you would like to receive a paper copy of the Information Circular before the deadline for proxies that are returned by mail (10:00 a.m. (ET) on October 21, 2024), you should take into account our three business day period for processing requests, as well as typical mailing times for first class mail suggested by Canada Post, and make your request prior to 10:30 a.m. (ET) on October 17, 2024.

You can also request a copy of the Information Circular on or after the date of the Meeting, up to one year after the date of this notice. In that case, if we receive your request on or after October 23, 2024, then we will send the Information Circular to you within 10 calendar days of receipt of your request.

Record Date

The Manager has fixed 4:00 p.m. (ET) on September 3, 2024 as the record date for the purpose of determining unitholders entitled to receive notice of and vote at the Meeting.

Voting

You may vote your securities by mail, by telephone, by internet or in person. Please refer to the directions on your proxy or voting instruction form for instructions on how to vote using these methods. Unitholders are strongly encouraged to submit their votes or proxy forms ahead of the Meeting in accordance with the timelines below.

Unitholders who are unable to or do not wish to attend the Meeting may (i) vote online at www.proxyvote.com by 10:00 a.m. (ET) on October 21, 2024 or at least 48 hours (exclusive of non-business days) before any adjourned or postponed meeting at which the vote is to be taken or (ii) complete and return to Data Processing Centre, P.O. Box 3700, STN Industrial Park, Markham, ON L3R 9Z9 or by phone at 1-800-474-7493 (English) or 1-800-474-7501 (French). The form of proxy must be received by no later than 10:00 a.m. (ET) on October 21, 2024 or at least 48 hours (exclusive of non-business days) before any adjourned or postponed meeting at which the vote is to be taken.

<p>The Manager has referred the proposed Fund merger to the Independent Review Committee (“IRC”) of the Fund for review, and after reasonable inquiry, the IRC has determined that, if implemented, the proposed Fund merger achieves a fair and reasonable result for the Fund and its unitholders.</p>
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DATED at Toronto, Ontario, this 16th day of September 2024.

By Order of the Board of Directors of Northwest & Ethical Investments Inc., as general partner on behalf of Northwest & Ethical Investments L.P., the Manager of the Funds

Per:

"Timothy Prescott"

Timothy Prescott
SVP, Head of Asset Management
NORTHWEST & ETHICAL INVESTMENTS L.P.
BY ITS GENERAL PARTNER
NORTHWEST & ETHICAL INVESTMENTS INC.

MANAGEMENT INFORMATION CIRCULAR

in respect of

NEI U.S. DIVIDEND FUND

(the “Fund” or the “Terminating Fund”)

SOLICITATION OF PROXIES

The information contained in this Management Information Circular (“**Information Circular**”) is provided by the Board of Directors of Northwest & Ethical Investments Inc. acting in its capacity as general partner of Northwest & Ethical Investments L.P. (“**NEI**” or the “**Manager**”), in its capacity as trustee and manager of the Fund, in connection with the solicitation of proxies on behalf of management of NEI to be used at the special meeting of unitholders of the Fund.

This special meeting will be held in person at the offices of **NEI Investments, 151 Yonge Street, Suite 1200, Toronto, Ontario, on October 23, 2024, at 10:00 a.m. (ET)** (the “**Meeting**”) for the purposes outlined below.

Quorum for the Meeting will be any two unitholders, present in person or by proxy. If the Meeting in respect of the Fund is adjourned, the adjourned Meeting will be held at the offices of **NEI Investments, 151 Yonge Street, Suite 1200, Toronto, Ontario, on October 23, 2024, at 2:00 p.m. (ET)**. Quorum for the adjourned meeting will be the number of securityholders present, in person or by proxy, at the adjourned meeting.

NEI makes this solicitation of proxies on behalf of the Fund. It is anticipated that this solicitation will be primarily by mail however, the directors, officers, employees or agents of NEI may solicit proxies personally, by telephone or by email. NEI will pay all of the costs incurred with respect to this solicitation.

As permitted under National Instrument 81-106 *Investment Fund Continuous Disclosure*, the Manager has opted to use a notice-and-access procedure (the “**Notice-and-Access Procedure**”) to reduce the volume of paper in the materials distributed for the Meeting. The Manager is sending proxy-related materials using the Notice-and-Access Procedure directly to unitholders, which includes registered unitholders and beneficial unitholders whose shares are held by an intermediary. The board of directors of Northwest & Ethical Investments Inc., on behalf of the Manager, has fixed 4:00 p.m. (ET) on September 3, 2024 (the “**Record Date**”) for the purpose of determining which unitholders are entitled to receive notice of, and to vote at, the Meeting.

The resolution that is to be considered and voted on at the Meeting is set out in Schedule A of this Information Circular.

Except as otherwise stated, the information contained in this Information Circular is current to August 19, 2024.

Cautionary Statement Regarding Forward-Looking Statements

Certain statements included in this Information Circular may constitute “forward-looking statements”. All statements, other than statements of historical fact, included in this Information Circular that address future activities, events, developments or financial performance, are forward-looking statements. These forward-looking statements can be identified by the use of forward-looking words such as “may”, “should”, “will”, “could”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “future” or “continue” or the negatives thereof or similar variations. These forward-looking statements are based on certain assumptions and analyses made by the Manager in light of its experiences and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. Unitholders are cautioned not to put undue reliance on such forward-looking statements, which

reflect the analysis of management of the Manager only as of the date of this Information Circular and are not a guarantee of performance. Such forward-looking statements are subject to a number of uncertainties, assumptions and other factors, many of which are outside the control of the Manager that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. All forward-looking statements are expressly qualified in their entirety by the cautionary statements set forth above. The Manager undertakes no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable law.

PURPOSE OF THE MEETING

The Meeting is being called for the following reason:

Proposed Merger

NEI is proposing to merge the Terminating Fund, NEI U.S. Dividend Fund, into NEI U.S. Equity RS Fund (the “**Continuing Fund**”, and together with the Terminating Fund, the “**Funds**”), which is also managed by NEI (the “**Merger**”). If the Merger is approved, the unitholders of the Terminating Fund will become unitholders of the Continuing Fund.

The Merger is subject to requisite approvals. For information on certain tax implications of the Merger, please read the section below entitled “Certain Canadian Federal Income Tax Considerations in Respect of the Merger”.

Reasons for the Merger

NEI believes that the proposed Merger is in the best interest of the Terminating Fund and its unitholders for the following reasons:

1. the Continuing Fund will have a larger net asset value (“**NAV**”) following the Merger, allowing for greater portfolio diversification opportunities, the potential for reduced average portfolio transaction costs, and a smaller proportion of assets set aside for fund redemptions than the Terminating Fund and the Continuing Fund would enjoy separately;
2. the Merger will result in a more streamlined and simplified product line-up, with less duplication, that is easier for investors to understand;
3. the combined management and fixed administration fees with respect to each series of the Continuing Fund will be the same as (and in certain cases may be lower than) the combined management and fixed administration fees that are currently payable by unitholders of the corresponding series of the Terminating Fund;
4. the assets of the Terminating Fund have decreased to a point where it has become inefficient to manage the Terminating Fund as a standalone fund that provides optimal portfolio diversification; and
5. the Continuing Fund, as a result of its increased size, will benefit from a more significant profile than the Terminating Fund in the marketplace.

Taxable Merger

While the Manager has the option of completing the Merger on a taxable or tax-deferred basis, the Manager has carefully considered both options and has chosen to complete the Merger on a taxable basis. As a result, the Merger will not be implemented as a “qualifying exchange” under section 132.2 of the *Income Tax Act* (Canada) (the “**Tax Act**”). While the Continuing Fund does not currently have any unused tax losses, to the extent that on the Effective Date the Continuing Fund has unused tax losses, implementing the Merger on a taxable basis would preserve such tax losses. Any such tax losses could be utilized by the Continuing Fund for the benefit of both existing unitholders of the Continuing Fund and unitholders of the Terminating Fund who become investors of the Continuing Fund following the Merger. If the Merger were to proceed on a tax deferred basis, any such tax losses would otherwise expire upon implementation of the Merger and therefore would not be available to be applied against capital gains realized by the Continuing Fund in future years.

Furthermore, a taxable merger reduces the risk of potential administrative errors that may be incurred as a result of required tax adjustments if the Merger occurred on a tax-deferred basis. A tax-deferred Merger would necessitate a process for income tax purposes to analyze and determine the adjusted cost base of each transferred investment, which would be deemed to be disposed of by the Terminating Fund and acquired by the Continuing Fund for: i) its fair market value, where there is an accrued loss on the investment; or ii) an elected amount which must be an amount between the Terminating Fund's adjusted cost base and the fair market value of the investment, where the investment has an accrued gain.

For the reasons outlined above, the Manager believes that completing the Merger on a taxable basis is in the best interests of the Terminating Fund.

In a taxable merger, non-registered unitholders of the Terminating Fund will realize a capital gain (or capital loss) at the Effective Date (as defined below). Registered Plans (as defined below) that are invested in the Terminating Fund will generally not be taxable on any capital gain realized as a result of a taxable Merger. See "Certain Canadian Federal Income Tax Considerations in Respect of the Merger".

Comparison of Funds

The Terminating Fund and the Continuing Fund operate in the same manner in all material respects, except for their distribution policies, as set out in the "Distribution Policy and Frequency" section on page 8 and in Schedule B to this Information Circular. They each value their securities daily and are available daily (on business days) for subscriptions or redemptions.

The Continuing Fund has investment objectives that are substantially similar to those of the Terminating Fund.

The Terminating Fund and the Continuing Fund pay NEI a fixed administration fee in exchange for NEI agreeing to pay certain Fund operating expenses.

The valuation procedures with respect to the portfolio of the Terminating Fund are identical to the valuation procedures of the Continuing Fund. Securities are offered at the NAV per unit of each series of the relevant Fund. The price per unit of each unit that is to be purchased or redeemed will be the NAV per unit of each series of the relevant Fund expressed in Canadian dollars and determined as at 4.00 p.m. (ET) on each day on which the Toronto Stock Exchange is open for business.

Schedule B to this Information Circular contains the full text of the investment objectives of the Terminating Fund and the Continuing Fund as well as a comparison of certain facts, including the management expense ratios and performance of the Terminating Fund and the Continuing Fund.

All unitholders of the Terminating Fund are encouraged to review those portions of the Schedules and Fund Facts of the Continuing Fund.

Series of Units to be Received by Terminating Fund Unitholders and Sales Charges

A Terminating Fund unitholder will receive the same series of units with the same applicable sales charges of the Continuing Fund as the unitholder holds in the Terminating Fund upon the completion of the Merger. Units of the Continuing Fund acquired by unitholders as a result of the Merger are subject to the same redemption charges, if any, to which their units of the Terminating Fund were subject prior to the Merger.

Eligibility for Investment

Provided that it continues to qualify as a “mutual fund trust” under the Tax Act at all relevant times, units of the Continuing Fund will be “qualified investments” under the Tax Act for trusts governed by a registered retirement savings plan (“RRSP”), registered retirement income fund (“RRIF”), registered education savings plan (“RESP”), deferred profit sharing plan (“DPSP”), registered disability savings plan (“RDSP”), first home savings account (“FHSA”) and tax-free savings account (“TFSA”) (collectively, “Registered Plans” and individually a “Registered Plan”). Please see “Certain Canadian Federal Income Tax Considerations in Respect of the Merger” for more details.

Fees

Subject to the next sentence, the combined management and administration fees payable in respect of each relevant series of units of the Continuing Fund is, or will be, as of the effective date of the relevant Merger, the same as or lower than the management and administration fees payable in respect of the same series of units of the Terminating Fund.

Series I and O management fees are individually negotiated with unitholders (and will be the same in respect of any such unitholder’s Terminating Fund and Continuing Fund holdings). As such, the management expense ratios for Series I and O securities will vary from unitholder to unitholder based on individually negotiated management fees.

Distribution Policy and Frequency

Both the Terminating Fund and the Continuing Fund distribute sufficient net income and net realized capital gains so that they will not be subject to tax under Part I of the Tax Act. The frequency of the distributions is not expected to be the same for each relevant series of units of the Terminating Fund and the Continuing Fund and is as follows:

Terminating Fund	Distribution Policy	Continuing Fund	Distribution Policy
NEI U.S. Dividend Fund	Series A/F/P/PF: Monthly Fixed Series I/O: Quarterly Variable	NEI U.S. Equity RS Fund	Series A/F/P/PF: Annual Variable Series I/O: Annual Variable

Pre-Authorized Contributions, Automatic Withdrawal Plans and Series I and Series O Management Fees

Following the Merger, pre-authorized contribution plans and automatic withdrawal plans administered by NEI that were established prior to the Merger with respect to the Terminating Fund will be re-established in comparable plans with respect to the Continuing Fund for a unitholder, unless the unitholder advises otherwise. In addition, following the Merger, the management fees applicable for a unitholder of Series I or Series O securities of the Terminating Fund will continue for the unitholder in respect of the Series I or Series O securities of the Continuing Fund.

Unitholders with pre-authorized contribution plans, automatic withdrawal plans or similar arrangements with their dealer should contact their dealer or advisor to make any necessary updates to such arrangements following the Merger.

Steps to Complete the Merger

If the necessary approvals are obtained from the unitholders of the Terminating Fund, the Manager will carry out the following steps to complete the Merger. Thereafter, the Terminating Fund will be wound up as soon as possible after the Effective Date (as defined in the following sentence). It is anticipated that, if approved, the Merger will be completed on or about November 15, 2024 (the “**Effective Date**”).

Step 1: Before the Effective Date of the Merger, the Terminating Fund may sell some or all securities in its portfolio. The Manager currently expects approximately 85-90% of the Terminating Fund’s portfolio securities to be liquidated prior to the Effective Date. As a result, the Terminating Fund may temporarily hold cash or cash equivalents and may not be fully invested in accordance with its investment objectives for a brief period of time prior to the Merger.

Step 2: To the extent not otherwise recoverable by the Terminating Fund, the Terminating Fund will distribute to its unitholders sufficient amounts of its net income and net realized capital gains so that the Terminating Fund will not be subject to tax under Part I of the Tax Act for its then current taxation year.

Step 3: On the Effective Date, the Terminating Fund will transfer all of its assets, which will consist of cash and/or portfolio securities less an amount required to satisfy the liabilities of the Terminating Fund, to the Continuing Fund, in exchange for units of the Continuing Fund.

Step 4: Immediately following the above-noted transfer, the Terminating Fund will distribute to its unitholders the units of the Continuing Fund as proceeds of redemption of the units of the Terminating Fund so that following the distribution, the unitholders of the Terminating Fund will become direct holders of the applicable series of units of the Continuing Fund.

Step 5: As soon as reasonably possible following the Merger, the Terminating Fund will be wound up.

There are no charges payable by unitholders of the Terminating Fund who acquire units of the Continuing Fund as a result of the Merger. Unitholders of the Terminating Fund who do not wish to own units of the Continuing Fund may instead redeem their units until the Effective Date of the Merger. Unitholders who redeem their units may be subject to redemption charges as outlined in the simplified prospectus for the Terminating Fund. If Unitholders vote in favor of the Merger, shortly thereafter the Manager may close the Terminating Fund to new or additional investment, other than from pre-existing pre-authorized contribution plans.

The Manager will bear all of the expenses incurred to effect the Merger.

The number of units of the Continuing Fund that a unitholder of the Terminating Fund will receive under the proposed Merger will be based on the NAV of the series of units of the Terminating Fund and the NAV of the applicable series of units of the Continuing Fund at the close of business on the Effective Date of the Merger.

Certain Canadian Federal Income Tax Considerations in Respect of the Merger

The following is a general summary of the principal Canadian federal income tax considerations as of the date hereof relevant to a unitholder of the Terminating Fund who, for the purpose of the Tax Act and at all relevant times, is an individual (other than a trust) resident in Canada, holds units of the Terminating Fund as capital property, deals at arm’s length with each Fund and is not affiliated with each Fund.

This summary is based on the current provisions of the Tax Act and the regulations thereunder (the “**Regulations**”), all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Tax**

Proposals”), and the current published administrative practices and assessing policies of the Canada Revenue Agency (the “**CRA**”). Except for the Tax Proposals, this summary does not otherwise take into account or anticipate any changes in law, whether by legislative, governmental or judicial action or decision, or changes in the administrative practices of the CRA, nor does it consider provincial, territorial or foreign income tax legislation or considerations. This summary assumes that the Terminating Fund and the Continuing Fund will continue to qualify as mutual fund trusts for the purposes of the Tax Act at all relevant times.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular unitholder. Accordingly, unitholders should consult with their own tax advisors for advice with respect to the tax consequences of the Merger having regard to their own particular circumstances.

Redemption of Terminating Fund Units Prior to the Merger

A unitholder who redeems units of the Terminating Fund before the date of the Merger will realize a capital gain (or capital loss) to the extent that the unitholder’s proceeds of redemption exceed (or are exceeded by) the aggregate of the unitholder’s adjusted cost base of the units redeemed and any reasonable costs of disposition. Subject to the discussion in the next paragraph, one-half of any such capital gain (“taxable capital gain”) is included in computing a unitholder’s income in the year, and one-half of a capital loss (“allowable capital loss”) realized by a unitholder in the year will be applied against capital gains realized by the unitholder in that year. Allowable capital losses in excess of capital gains realized in any year may, subject to certain limitations under the Tax Act, be carried back three years or forward indefinitely and applied against capital gains realized in those years.

Proposed Amendments contained in a Notice of Ways Motion dated June 10, 2024, will increase the proportion of a capital gain included in income as a taxable capital gain, or the proportion of a capital loss that constitutes an allowable capital loss, from one-half to two-thirds, effective for dispositions on or after June 25, 2024 (the “**Budget Proposals**”). The Budget Proposals generally provide that the one-half inclusion rate will continue to apply to individuals (other than trusts) up to a maximum of \$250,000 of net capital gains per year. For tax years that begin before and end on or after June 25, 2024, two different inclusion rates will apply, and transitional rules apply to separately identify capital gains and losses realized before and after that date. The Budget Proposals also contemplate adjustments of carried forward or carried back allowable capital losses to account for changes in the relevant inclusion rates. Unitholders should consult their own tax advisors regarding the impact of the Budget Proposals based on their individual circumstances.

If units of the Terminating Fund are held in a Registered Plan, a capital gain realized on a redemption of units will generally be exempt from tax. Withdrawals from a Registered Plan, other than withdrawals from a TFSA, FHSA, and certain permitted withdrawals from a RESP, are generally taxable.

Pre-Merger Steps

Prior to the Merger, the Terminating Fund may liquidate assets in its portfolio that do not meet the investment objective, strategies or criteria of the Continuing Fund. This may result in the Terminating Fund realizing income or a capital gain. The Terminating Fund may make a distribution of any of its net income or net realized capital gains prior to the Merger (whether arising from such sales of portfolio holdings or otherwise) in order to eliminate any liability of the Terminating Fund for tax under Part I of the Tax Act. Unitholders will be subject to the same income tax consequences on such distributions as on other ordinary year-end distributions made by the Terminating Fund.

Tax Considerations of the Merger for the Terminating Fund

The disposition by the Terminating Fund of its assets to the Continuing Fund will occur on a taxable basis and, accordingly, the Terminating Fund may realize income, losses, capital gains or capital losses.

The cost to the Terminating Fund of the units of the Continuing Fund received in the course of the Merger will be equal to the fair market value of the Terminating Fund's assets transferred to the Continuing Fund. The distribution by the Terminating Fund of units of the Continuing Fund upon the redemption of all of the Terminating Fund's outstanding units will not result in any further capital gain or loss for the Terminating Fund, provided that such distribution occurs immediately after the Terminating Fund acquires such Continuing Fund units. Any remaining loss carry-forwards of the Terminating Fund will expire following the Merger.

The Terminating Fund will distribute a sufficient amount of its net income and net realized capital gains to unitholders of the Terminating Fund to ensure that the Terminating Fund will not be subject to tax under Part I of the Tax Act in respect of the period ending on the date of the Merger.

Tax Considerations of the Merger for Unitholders of the Terminating Fund

Any distributions made by the Terminating Fund of net income or net capital gains to unitholders of the Terminating Fund must be included in computing the unitholder's income for the taxation year in which the Merger occurs, unless units are held in a Registered Plan. Unitholders will be subject to the same tax consequences on such distributions as on other ordinary year-end distributions made by the Terminating Fund. These distributions, if reinvested, will increase the adjusted cost base of the unitholder's units of the Terminating Fund.

Upon the distribution by the Terminating Fund of units of the Continuing Fund in exchange for units of the Terminating Fund, unitholders of the Terminating Fund will be considered to have disposed of their units of the Terminating Fund for proceeds of disposition equal to the fair market value of the units they receive of the Continuing Fund. As a result, unitholders will realize a capital gain (or capital loss) equal to the amount by which such proceeds of disposition exceed (or are exceeded by) the adjusted cost base of the unitholder's units of the Terminating Fund and any reasonable costs of disposition. Subject to the discussion in the next paragraph, one-half of any such capital gain is a taxable capital gain and is included in computing a unitholder's income in the year, and one-half of any such capital loss is an allowable capital loss and is applied against taxable capital gains realized by the unitholder in the year. Allowable capital losses in excess of capital gains realized in any year may, subject to certain limitations under the Tax Act, be carried back three years or forward indefinitely and applied against capital gains realized in those years.

As mentioned above under the sub-heading "Redemption of Terminating Fund Units Prior to the Merger", the Budget Proposals generally provide that the one-half inclusion rate will continue to apply to individuals (other than trusts) up to a maximum of \$250,000 of net capital gains per year. For tax years that begin before and end on or after June 25, 2024, two different inclusion rates will apply, and transitional rules apply to separately identify capital gains and losses realized before and after that date. The Budget Proposals also contemplate adjustments of carried forward or carried back allowable capital losses to account for changes in the relevant inclusion rates. Unitholders should consult their own tax advisors regarding the impact of the Budget Proposals based on their individual circumstances.

A unitholder will acquire the units of the Continuing Fund received on the Merger at a cost equal to the fair market value of such units at the time of the Merger. In determining the adjusted cost base of the units of the Continuing Fund, the cost of the units of the Continuing Fund received by the unitholder on the Merger will be averaged with the adjusted cost base of any other units of the same series of the Continuing Fund that the unitholder holds on the Effective Date.

Registered Plans Investment in Units of Continuing Fund

Provided that the Continuing Fund is, at all relevant times, a “mutual fund trust” under the Tax Act, units of the Continuing Fund will be a “qualified investment” under the Tax Act for Registered Plans.

Notwithstanding the foregoing, an annuitant under a RRSP or RRIF, the holder of a TFSA, FHSA, or RDSP, or subscriber of a RESP, as the case may be, that holds units of the Continuing Fund, will be subject to a penalty tax if the Continuing Fund units are a "prohibited investment" (as defined in the Tax Act) for the RRSP, RRIF, RDSP, RESP, FHSA or TFSA, as the case may be. The Continuing Fund units will generally not be a prohibited investment for a RRSP, RRIF, RDSP, RESP, FHSA, or TFSA if the annuitant, holder or subscriber of such plan, as the case may be, deals at "arm's length" with the Continuing Fund for the purposes of the Tax Act and such annuitant, holder or subscriber does not have a "significant interest" (within the meaning of the Tax Act) in the Continuing Fund. Unitholders should consult their own tax advisors as to whether the units of the Continuing Fund will be a prohibited investment in their particular circumstances.

Independent Review Committee

The mandate of the Independent Review Committee for the Funds (the “**IRC**”) is to review NEI’s conflict of interest policies, and all conflict of interest matters in respect of the Funds that NEI refers to it. NEI has referred the proposed Merger to the IRC for review and, after reasonable inquiry, the IRC has determined that the proposed Merger, if implemented, will achieve a fair and reasonable result for both the Terminating Fund and Continuing Fund and their unitholders.

Requested Unitholder Approval and Recommendation

Unitholders of the Terminating Fund are being asked to approve the Merger of the Terminating Fund into the Continuing Fund. Implicit in this approval is the adoption of the Continuing Fund’s investment objectives and strategies, as well as its fee structure, as unitholders of the Terminating Fund will become unitholders of the Continuing Fund after the Merger. If the Merger is approved, unitholders will receive the series of units of the Continuing Fund in exchange for their series units of the Terminating Fund as noted above under “Series of Units to be Received by Terminating Fund Unitholders and Sales Charges”.

The Merger of the Terminating Fund into the Continuing Fund will not be effective unless approved by a majority of votes cast (i.e. more than 50%) of the Terminating Fund’s unitholders. Please see Schedule A for the full text of the Merger resolutions to be considered and voted on at the Meeting. If the unitholders of the Terminating Fund approve the Merger, and subject to any other requisite approvals, it is proposed that the Merger will occur on or about the Effective Date. The Manager may, in its sole discretion, elect not to proceed with the Merger, if approved, should it so determine or otherwise elect to postpone implementing the approved Merger until a later date if it considers such postponement to be more advantageous for tax or other reasons. If the Merger is not approved, the Manager will consider alternative strategic options for the Terminating Fund including possible termination in accordance with applicable securities laws.

THE MANAGER RECOMMENDS THAT UNITHOLDERS OF THE TERMINATING FUND VOTE TO APPROVE (FOR) THE MERGER RESOLUTION AT THE MEETING.

OTHER BUSINESS

The Manager knows of no matters to come before the Meeting other than the matter referred to in the Notice. However, if any other matters should properly come before the Meeting, the units represented by Proxy will be voted on such matters in accordance with the best judgment of the proxy nominee.

ADDITIONAL INFORMATION

Additional information regarding the Funds is contained in the simplified prospectus and the most recently filed Fund Facts document, interim and annual management reports of fund performances, and interim unaudited and annual audited financial statements for the Funds. Copies of the Fund Facts relating to the Continuing Fund will be mailed to unitholders of the Terminating Fund. Unitholders should review the Fund Facts carefully.

You may obtain a copy of the simplified prospectus, Fund Facts, the most recent interim and annual financial statements and the most recent interim and annual management reports of fund performance by accessing the System for Electronic Document Analysis and Retrieval (SEDAR+) website at www.sedarplus.ca. You may also obtain these documents by accessing the Manager's website at www.neiinvestments.com, by emailing a request to NEIclientservices@neiinvestments.com or by calling us toll-free during normal business hours at 1-888-809-3333.

VOTING UNITS OF THE FUND

Voting Rights Attached to Units of the Fund

A unitholder of a Fund is entitled to one vote at Meeting of unitholders of that Fund for each whole unit of a particular series of a Fund owned by that unitholder. No voting rights attach to fractional units.

Record Date and Quorum

The Manager has fixed 4:00 pm (ET) on September 3, 2024 as the record date for the purpose of determining unitholders entitled to receive notice of, and vote at, the Meeting.

The quorum for the Meeting is any two unitholders present in person or by Proxy for the Fund. If within one-half hour from the time appointed for the Meeting a quorum is not present, then the Meeting shall stand adjourned without notice to 2:00 pm (ET) on the same date and by the same in person means. At such adjourned meeting, the unitholders present in person or by proxy, shall constitute a quorum.

Appointment and Revocation of Proxies

The persons named in the Proxy accompanying the Notice are representatives of the Manager. **A unitholder has the right to appoint a person or company other than the persons specified in the Proxy to attend and act on behalf of such unitholder at the Meeting or any adjournment thereof.** Such right may be exercised by following the additional instructions on your Proxy very carefully, including:

- a. inserting an "Appointee Name" and designating an 8-character "Appointee Identification Number" online at www.proxyvote.com or in the spaces provided on your Proxy, signing and returning it in the prepaid envelope; and
- b. if you have appointed someone other than yourself to access and vote at the meeting on your behalf, informing your appointed proxyholder of the exact Appointee Name and 8-character Appointee Identification Number prior to the meeting.

You are encouraged to appoint your proxyholder online at www.proxyvote.com in accordance with the instructions on the Proxy as this will reduce the risk of any mail disruptions and will allow you to share the Appointee Name and Appointee Identification Number you have created with your appointed proxyholder more easily. You may also complete and return your Proxy by following the instructions on your Proxy.

Please note that if you wish to appoint a person as your proxyholder other than the persons designated in the Proxy and you do not designate the Appointee Name and Appointee Identification Number as required when completing your appointment online or on your Proxy or if you do not provide the exact Appointee Name and Appointee Identification Number to that other person, that other person will not be able to access the meeting and vote on your behalf.

To be effective, a proxy must be received by 10 a.m. (ET) on October 21, 2024, or at least 48 hours (exclusive of non-business days) before any adjourned or postponed meeting at which the vote is to be taken.

A unitholder who has voted online or submitted a proxy may revoke it at any time (a) by depositing an instrument in writing executed by the unitholder or by his, her or its attorney authorized in writing to the above-noted address at any time up to and including the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, or with the Chairperson of the Meeting prior to the commencement of the Meeting, or any adjournment or postponement thereof; (b) by attending the Meeting and voting his, her or its securities; or, (c) in any other manner permitted by law. A unitholder who wishes to revoke their vote or proxy should contact their mutual fund sales representative, advisor or agent in advance of the Meeting for assistance regarding the revocation process.

Voting Units by Proxy

The Proxy provides unitholders with the opportunity to specify that the units registered in the unitholder's name shall be voted for or against the Merger. Units represented by a properly executed Proxy appointing a representative of the Manager will be voted for or against the Merger resolutions in accordance with the instructions specified by the unitholder in that Proxy. **If the unitholder has not specified that the Manager's representative is required to vote for or against the resolutions, the units represented by that Proxy will be voted FOR the resolutions.**

The Proxy accompanying the Notice confers discretionary authority upon the proxy nominees named therein with respect to amendments or variations to matters identified in the Notice or other matters that may properly come before the Meeting. The Manager knows of no matters to come before the Meeting other than the matters referred to in the Notice. However, if any other matters should properly come before the Meeting, the units represented by Proxy will be voted on such matters in accordance with the best judgment of the proxy nominee.

Units Outstanding of the Fund

The Fund is authorized to issue an unlimited number of units in one or more series of units. Each whole unit of a Fund entitles the unitholder thereof to one vote. No voting rights attach to fractional units. As at the close of business on August 19, 2024, the following units of each series of the Fund were issued and outstanding:

Fund Name	Series	Number of Issued & Outstanding Units
NEI U.S. Dividend Fund	A	776,281.146
	F	215,973.197
	I	998,810.546
	O	123.904
	P	347,326.748
	PF	726,546.876

Principal Ownership of Units

To the knowledge of the Manager, as at the close of business on August 19, 2024, no person or company beneficially owned, directly or indirectly, or exercised control or direction over, more than 10% of the issued and outstanding units of each series of each Fund other than as set out in the following table:

NAME OF FUND AND SERIES	UNITHOLDER	NUMBER OF UNITS HELD	% OF OUTSTANDING UNITS
NEI U.S. Dividend Fund (Series I)	NEI Balanced Yield Portfolio	533,248.471	53.39%
NEI U.S. Dividend Fund (Series I)	NEI Conservative Yield Portfolio	465,507.051	46.61%
NEI U.S. Dividend Fund (Series O)	The Manager	123.904	100%

Units of a Fund that are held by the Manager or its affiliates will not be voted at the Meeting, though employees and/or members of management of the Manager may vote their personal holdings.

INTERESTS OF THE MANAGER IN MATTERS TO BE VOTED UPON

The Manager is the manager, trustee and portfolio manager of the Fund and is responsible for all of the day-to-day management and administration of the Fund. In consideration of the management services that it provides to the Fund, the Manager receives management fees as disclosed in the simplified prospectus of the Fund and in this Information Circular. The management fees paid by the Fund to the Manager for the Fund's financial year ended September 30, 2023, excluding all applicable taxes, were:

Entity	Fees
NEI U.S. DIVIDEND FUND	\$390,894

The name and municipality of residence, position and office held with the Manager and principal occupation in the last five years of each of the directors and executive officers of the Manager are as follows:

Name and municipality of residence	Position and office held with NEI	Principal Occupation <i>(Current and in the last Five Years)</i>
William Packham Thornhill, Ontario	Director and President, Chief Executive Officer, and Ultimate Designated Person	President and Chief Executive Officer of Aviso Wealth Inc. (" Aviso ").
Endu Gentles Toronto, Ontario	Director and Senior Vice President (" SVP "), Strategy and Chief Transformation Officer	SVP, Strategy and Chief Transformation Officer of Aviso; prior to that Vice President (" VP "), Enterprise Project Management Office and Business Architecture at IGM Financial.
Wanda Frisk Surrey, British Columbia	Director and SVP, Head of Credit Union Wealth Management	SVP, Head of Credit Union Wealth Management of Aviso; prior to that VP, Strategic Initiatives of Aviso; prior to that VP, Partner Relations at Qtrade Financial Group (" QFG ").
George Ho Newmarket, Ontario	Director and SVP, Chief Digital and Technology Officer	SVP, Chief Digital and Technology Officer of Aviso; prior to that VP, Information Technology at RioCan Management Inc.; prior to that Chief Technology Officer at the Ontario Securities Commission; prior to that VP, Information Technology at Industrial Alliance.
Rodney Ancrum Toronto, Ontario	Director and SVP, Chief Financial Officer, and Chief Administrative Officer	SVP, Chief Financial Officer and Chief Administrative Officer of Aviso.

Name and municipality of residence	Position and office held with NEI	Principal Occupation <i>(Current and in the last Five Years)</i>
John H. Bai Toronto, Ontario	Director and SVP, Chief Financial Officer, and Chief Risk Officer	SVP, Chief Financial Officer and Chief Risk Officer of Aviso; prior to that Chief Financial Officer and Chief Transformation Officer at City National Bank; prior to that Ultimate Designated Person and Chief Executive Officer at RBC Direct Investing Inc.
Sherri Evans Hamilton, Ontario	Director and SVP, Head of Service, Operations, Compliance & Onboarding	SVP, Head of Service, Operations, Compliance & Onboarding of Aviso; prior to that SVP, Head of People & Client Experience at Aviso; prior to that SVP, Chief People Officer at Aviso.
Yasmin Lalani North Vancouver, British Columbia	Director and SVP, Chief Legal Officer and Chief Governance Officer	SVP, Chief Legal Officer and Chief Governance Officer of Aviso.
Mark Nicholson Stouffville, Ontario	Director and SVP, Marketing, Communications and Client Experience	SVP, Marketing, Communications and Client Experience of Aviso; prior to that VP, Customer Experience, at Wyth Financial; prior to that VP, Digital & Innovation at Tangerine Bank.
Timothy Prescott Rosseau, Ontario	Director and SVP, Head of Asset Management	SVP, Head of Asset Management of Aviso; prior to that SVP, Wealth Distribution & Advisor Compliance at The Canada Life Assurance Company; prior to that President, CEO at Quadrus Investment Services, VP Advisor Compliance at Quadrus Investment Services Ltd., Canada Life Securities Ltd.; prior to that VP, Key Accounts at Mackenzie Investments.
Christine Zalzal Oakville, Ontario	Director and SVP, Head of Online Brokerage and Digital Wealth	SVP, Head of Online Brokerage and Digital Wealth of Aviso.

Each of the directors and executive officers listed above has held his or her current position or other positions with the Manager (or an affiliate or a predecessor of the Manager or an affiliate)

during the past five years, except as follows:

- Endu Gentles joined Aviso/NEI as Senior Vice President, Strategy and Chief Transformation Officer in April 2022 and was appointed Director and Officer, Senior Vice President, Strategy and Chief Transformation Officer in April 2022. From April 2018 to April 2022, she was Vice President, Enterprise Project Management Office and Business Architecture at IGM Financial;
- George Ho joined Aviso/NEI as Senior Vice President, Chief Digital and Technology Officer in November 2023 and was appointed Director and Officer, Senior Vice President and Chief Digital and Technology Officer of NEI in February 2024. From November 2019 to November 2023, he was Vice President, Information Technology at RioCan Management Inc. From May 2019 to October 2019, he was Chief Technology Officer at the Ontario Securities Commission. From March 2001 to March 2019, he was Vice President, Information Technology at Industrial Alliance;
- John H. Bai joined Aviso/NEI as Senior Vice President, Chief Financial Officer and Chief Risk Officer in August 2024 and was appointed Director and Officer, Senior Vice President, Chief Financial Officer and Chief Risk Officer in August 2024. From April 2021 to December 2023, he was Chief Financial Officer and Chief Transformation Officer at City National Bank. From December 2018 to April 2021, he was Ultimate Designated Person and Chief Executive Officer at RBC Direct Investing Inc.;
- Mark Nicholson joined Aviso/NEI as Senior Vice President, Marketing, Communications and Client Experience in May 2022 and was appointed Director and Officer, Senior Vice President, Marketing, Communications and Client Experience in January 2023. From December 2021 to May 2022, he was Vice President, Client Experience at Wyth Financial. From January 2006 to December 2021, he was Vice President, Digital and Innovation at Tangerine Bank; and
- Timothy Prescott joined Aviso/NEI as Senior Vice President, Head of Asset Management in April 2022 and was appointed Director and Officer, Senior Vice President, Head of Asset Management in May 2022. From December 2019 to March 2022, he was Senior Vice President, Wealth Distribution and Advisor Compliance at The Canada Life Assurance Company. From December 2019 to March 2022, he was President and Chief Executive Officer, Quadrus Investment Services and VP Advisor Compliance at Quadrus Investment Services Ltd. and Canada Life Securities Ltd. From April 2015 to December 2019, he was Vice President, Key Accounts at Mackenzie Investments.

No remuneration is paid by the Fund to the directors and senior officers of the Manager. Other than ownership of units of the Fund, none of the above individuals was indebted to or had any transaction or arrangement with any Fund during the last financial year of the Fund.

The head office of the Fund is located at 151 Yonge Street, Suite 1200 Toronto, ON, M5C 2W7.

The auditor of the Fund is Ernst & Young LLP, located at EY Tower 100 Adelaide Street West, Toronto, ON, M5H 0B3.

Except as otherwise disclosed in this Information Circular, to the knowledge of the Manager, the Manager, its affiliates and their directors and officers do not have any material interest, direct or indirect, by way of beneficial ownership of more than 10% of the units of the Fund or otherwise, in any of the matters to be voted on at the Meeting.

CERTIFICATE

The distribution of this Information Circular to unitholders of the Fund has been approved by the board of directors of the Manager as manager of the Funds.

DATED at Toronto, Ontario, this 16th day of September 2024.

By Order of the Board of Directors of Northwest & Ethical Investments Inc., as general partner on behalf of Northwest & Ethical Investments L.P., the Manager of the Funds

Per:

“Timothy Prescott”

Timothy Prescott
SVP, Head of Asset Management
NORTHWEST & ETHICAL INVESTMENTS L.P.
BY ITS GENERAL PARTNER
NORTHWEST & ETHICAL INVESTMENTS INC.

SCHEDULE A
RESOLUTION TO BE CONSIDERED BY
UNITHOLDERS OF THE NEI U.S. DIVIDEND FUND AT THE UNITHOLDER MEETING TO BE
HELD
OCTOBER 23, 2024

WHEREAS the unitholders of NEI U.S. Dividend Fund (the “**Fund**”) wish to approve the merger of the Fund with NEI U.S. Equity RS Fund (the “**Continuing Fund**”).

BE IT RESOLVED THAT:

1. All of the assets of the Fund be transferred to the Continuing Fund (after retention of sufficient assets to satisfy its liabilities) in exchange for units of the Continuing Fund at an aggregate value equal to the value of the transferred assets of the Fund;
2. The Fund shall distribute the units of the Continuing Fund it receives to investors of the Fund on a dollar-for-dollar basis in exchange for their units of the Fund;
3. The Fund be terminated as soon as is reasonably practicable;
4. The trustee of the Fund, Northwest & Ethical Investments L.P. (“**NEI**”), is authorized to make such amendments to the declaration of trust of the Fund as may be necessary or desirable to implement this resolution;
5. NEI, as manager and trustee of the Fund, is authorized and directed to do all such acts and things and to execute and deliver all such documents, instruments and writings as may be necessary or desirable to implement this resolution; and
6. NEI shall have the right to delay the implementation of or revoke this resolution for any reason whatsoever in its sole and absolute discretion without further approval of the unitholders of the Fund if it considers such course of action to be in the best interest of the Fund and its unitholders.

SCHEDULE B
COMPARISON OF TERMINATING FUND AND CONTINUING FUND
MERGER OF NEI U.S. DIVIDEND FUND AND NEI U.S. EQUITY RS FUND

	NEI U.S. Dividend Fund (Terminating Fund)	NEI U.S. Equity RS Fund (Continuing Fund)
<i>Date of Establishment:</i>	October 6, 2000	September 30, 1968
<i>Fund Structure:</i>	Mutual Fund Trust	Same as the Terminating Fund
<i>Type of Fund:</i>	U.S. Equity	Same as the Terminating Fund
<i>Risk Rating:</i>	Medium	Same as the Terminating Fund
<i>Approximate Net Assets as at August 19, 2024:</i>	\$55,780,456.45	\$1,369,332,690.48
<i>NAV per Series A Unit as of August 19, 2024:</i>	\$12.32	\$75.23
<i>Performance based upon NAV per Series A Unit as of July 31, 2024:</i>	1 year: 19.47% 3 year: 7.43% 5 year: 6.71% Since inception: 2.64%	1 year: 24.83% 3 year: 12.03% 5 year: 12.07% Since inception: 7.81%
<i>Distribution Policies:</i>	Series A/F/P/PF: Monthly Fixed Series I/O: Quarterly Variable	Series A/F/P/PF: Annual Variable Series I/O: Annual Variable
<i>Redemptions:</i>	Daily	Same as the Terminating Fund
<i>Management Fee for Series A:</i>	1.75%	Same as the Terminating Fund
<i>Management Expense Ratio for Series A as of July 31, 2024:</i>	2.33%	2.27%

	NEI U.S. Dividend Fund (Terminating Fund)	NEI U.S. Equity RS Fund (Continuing Fund)
<i>Investment Objectives:</i>	<p>The objective of this Fund is to provide investors with long-term capital growth. The Fund invests primarily in common shares of large-capitalization American corporations.</p> <p>Unitholder approval (by a majority of votes cast at a meeting of unitholders) is required prior to a fundamental change of investment objectives.</p>	<p>The Fund aims to increase the value of your investment over the long-term by investing mostly in the common shares of a wide variety of companies listed on North American stock exchanges.</p> <p>The Fund follows a responsible approach to investing.</p> <p>Unitholder approval (by a majority of votes cast at a meeting of unitholders) is required prior to a fundamental change of investment objectives.</p>
<i>Registered Plan Eligibility:</i>	RRSPs, RRIFs, RESPs, RDSPs, DPSPs, FHSAs and TFSAs	Same as the Terminating Fund
<i>Portfolio Manager:</i>	Northwest & Ethical Investments L.P., Toronto, ON	Same as the Terminating Fund
<i>Portfolio Sub-Advisor:</i>	River Road Asset Management LLC, Louisville, KY, U.S.A.	AllianceBernstein Canada, Inc., Toronto, ON